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SUBJECT: JUNE 26 U.S.-EU TROIKA MEETING ON DRUG ISSUES

REF: A. BRUSSELS 0962 (NOTAL)

[1](#)B. BRUSSELS 0393 (NOTAL)

Classified By: INTERNATIONAL NARCOTICS AND LAW ENFORCEMENT
AFFAIRS (INL) COUNSELOR JAMES P. MCANULTY FOR REASONS
1.4 (B) AND (D)

SUMMARY

[1](#)1. (C) U.S. and European Union (EU) officials discussed counter-drug trends and developments during a wide-ranging U.S.-EU Troika Meeting on Drug Issues on June 26. The discussions demonstrated considerable convergence on these issues, including strategies to use at Commission on Narcotic Drugs (CND) and UN General Assembly Special Session (UNGASS) Working Groups, the need for balanced, comprehensive approaches in addressing record opium production in Afghanistan, the desire to address more fully drug flows through Africa and diversion of precursor chemicals, and the use of new technologies to fight drug trafficking and currency smuggling. The main transatlantic differences concerned how to address current counter-drug challenges in Bolivia and Venezuela. END SUMMARY.

PARTICIPANTS IN TROIKA MEETING ON DRUG ISSUES

2, (U) The U.S. Delegation, led by INL Deputy Assistant Secretary (DAS) Christy McCampbell, and including INL Counselor James McAnulty, Mission Drug Enforcement Administration (DEA) Assistant Regional Director (ARD) Tom Scarantino, and Office of National Drug Control Policy (ONDCP) Chief of International Policy Richard Baum, met with the EU Delegation, led by Chairperson of the EU Horizontal Working Party on Drug Issues Dr. Milan Krek of the Slovenian Presidency, and including Justice and Home Affairs (JHA) Head of Unit Johannes Vos of the Council Secretariat, Drugs Coordination Head of Unit Carel Edwards of the Commission, Customs and Taxation Administrator Suzanne Stauffer of the Commission, Drugs Coordination Deputy Head of Unit Ann Vanhout, Desk Officer for Afghanistan Bettina Muscheidt of the Commission, Desk Officer for Bolivia Nicola Murray of the Commission, European Police Office (EUROPOL) official Ulrich Gundlach, European Monitoring Center for Drugs and Drug Abuse (EMCDDA) official Danilo Ballota, and representatives of various Member States, including Cyprus, the Czech Republic, Finland, France, Germany, Italy, Lithuania, Portugal,

Romania, the Slovak Republic, Spain, and the United Kingdom.

COMMISSION ON NARCOTICS DRUGS

13. (C) EU Head of Delegation Dr. Krek commended the "excellent" cooperation that existed between the U.S. and the EU at the fifty-first Session of the Commission on Narcotics Drugs (CND) in Vienna in March, including support of each other's proposed resolutions that gained approval. He expressed interest in continuing such cooperation at the next CND Meeting. DAS McCampbell agreed, noting strong U.S. support for the Action Plans and their continued implementation during the upcoming decade. The U.S. opposes reopening the Action Plans but would like to see the Working Groups focus on a few new areas, such as the dramatic increase in opium production in Afghanistan. Similarly, the U.S. would support discussion of tools to attack drug trafficking organizations, including use of controlled deliveries and court-ordered electronic surveillance. Efforts against money laundering and the use of non-conviction-based asset forfeiture have also proven to be useful measures in attacking drug traffickers. She reaffirmed U.S. support for the current, two-tier commission structure that provides guidance to the United Nations Office of Drugs and Crime (UNODC) on counter-drug and anti-crime policies. Nonetheless, the U.S. would appreciate more frequent discussions by UNODC leadership with the organization's members. To date, 100 countries have provided

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estimates of legitimate commercial needs for ephedrine and pseudo-ephedrine in response to a 2006 CND resolution. The U.S. understands that the International Narcotics Board (INCB) has offered to help additional countries to develop the infrastructure for such reporting. DAS McCampbell requested EU views on the idea of INCB developing a recommended common methodology to assist such efforts.

14. (C) Dr. Krek noted that the primary work of next year's CND session would entail a political declaration and resolutions on implementation of the 1998 action plans. He inquired whether the U.S. planned to present any resolutions. Baum noted that the U.S. side had not yet vetted possible resolutions internally, but some preliminary ideas included resolutions on drug patterns for MDMA (ecstasy), transshipment of pharmaceuticals via the mail, and use of drug treatment courts. INL Counselor noted that close coordination with the EU would be desirable to promote consensus and avoid surprises. In this regard, meetings via Digital Video Conference (DVC) link-ups with officials in Washington, Brussels, and Vienna, during the past two years have proven useful in facilitating such coordination.

UN GENERAL ASSEMBLY SPECIAL SESSION

15. (C) U.S. and EU delegations also shared impressions of the recently concluded UNGASS Supply Reduction Working Group meeting in Vienna. Baum, who had just participated at the Working Group meeting in Vienna earlier in the week, praised EU efforts at the 2008 CND meeting to lay the groundwork for the ongoing UN General Assembly Special Session (UNGASS) review. He remarked that the discussions had covered many valuable issues but had also raised additional items on which the U.S. and other nations had not agreed. The Iranian chairperson, for example, had allowed discussions to deviate from the agenda items for that working group, and the Chairperson presented the Working Group's conclusions without prior review by participants. Such conclusions represented "minutes" of the discussions rather than fully vetted conclusions. Delegations were free to submit comments by the following Monday, which the U.S. Delegation planned to do, adding that the Inter-Sessional meeting will be important.

He suggested that capitals give greater attention and support to future Working Group meetings to try to focus attention on desired issues. The U.S. and the EU also shared concerns over risks associated with the possibility of opening up Table 1 and Table 2 of the listed precursor chemicals. The German representative agreed with the description of Working Group discussions and echoed the importance of representatives from capitals attending the Inter-Sessional meetings. The UK representative agreed, noting that the Working Group had presented some "expert," but not yet "final," views and conclusions.

16. (C) DAS McCampbell also emphasized the need for countries to support UNODC financially via donations, rather than formal assessments. Head of Unit Edwards remarked that the UNGASS Review had reached the middle of a two-year process. Countries could not yet commit to increased budgets but investment in UNODC would be needed to enhance its system of data collection, which he described as "rather unsatisfactory." He suggested that Member States and the European Monitoring Center for Drugs and Drug Addiction (EMCDDA) become involved in this process. EMCDDA official Ballota concurred, noting that nations needed to refine tools to enhance the utility of reports, reduce overlap, and reduce time spent by assigned staff.

DRUG SITUATION AND TRENDS IN AFGHANISTAN

17. (C) Mission INL Counselor distributed an INL-prepared hand-out on counter-drug efforts in Afghanistan prepared for the recent donors conference in Paris. He noted that the drug trade posed a growing and real threat to Afghanistan and that a balanced strategy was needed to produce desired results. Northern provinces, with relatively strong security and good governance, witnessed significant reductions in opium poppy cultivation, while southern provinces with weak

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security and difficulty in establishing rule of law, saw significant increases in opium poppy cultivation. He urged consistency and a single agreed-upon message by international partners in public statements, which should focus on the correlation of poppy cultivation with insecurity, the likelihood of cultivation not rising substantially this year, and the need for Afghan Government leadership of counter-drug efforts. Drug trafficking in Afghanistan provides funding for the Taliban, promotes corruption, undermines democratic institutions, and stunts the growth of the legal economy. The best way to tackle the poppy problem would be to increase development while broadening the scope and intensity of interdiction and eradication. The U.S. has invested substantially in alternative development. INL Counselor noted his understanding that, by itself, Helmand province represented the sixth largest recipient of U.S. development assistance. Yet, many poppy farmers there had switched from cultivation of licit crops to illicit ones and even exploited irrigation systems built years ago by the international community. A Good Performers Initiative seeks to encourage cultivation of licit crops. The U.S. remains convinced that the best way to deal with corrupt officials, rich poppy-growing landowners, and drug traffickers is to arrest and prosecute them and eradicate their illicit fields. Yet, Afghan eradication teams have suffered heavy losses and need greater force protection while performing their missions.

18. (C) Mission INL Counselor noted that U.S. officials have worked closely with the Afghan Criminal Justice Task Force. For example, the U.S. Justice Department provides six federal prosecutors and two senior criminal investigators to mentor and train Afghan prosecutors, investigators, and judges. The U.S. side would like to see greater focus on control of diversion of precursor chemicals, particularly interdiction of shipments of acetic anhydride and development of greater regulatory and border control capacity for Afghanistan. He

also expressed concern over the possible use of alternative precursor chemicals, as evidenced by a recent large seizure of acetyl chloride in Iran.

¶9. (C) Desk Officer Muscheidt reported on EU participation in the June 11 donors conference for Afghanistan in Paris, mentioning that the EU had earlier allocated 610 million euros in assistance to Afghanistan for the period 2007 to ¶2013. Horizontal and regional funding would add another 500 million euros during 2008 to 2010 to focus on rural development, health, and governance initiatives. The EU remains the largest single contributor to the Law and Order Trust Fund to pay police salaries, providing some 200 million euros. EU reform efforts support the Office of the Attorney General, Supreme Court, and Ministry of Justice. Stability Instrument funding focuses on reforms to pay and grade systems for police as well as recruitment. The Commission has devoted 50 million euros to an integrated border management project along the border with Pakistan. Muscheidt urged that Afghan authorities assume greater responsibility in rule of law and counter-drug efforts during the run-up to next year's elections. She said impunity cannot continue for corrupt officials and the Commission fully subscribed to a mix of counter-drug efforts involving alternative development, interdiction, and "manual" eradication.

¶10. (C) The French representative noted that French President Nicolas Sarkozy, Afghan President Hamid Karzai, and United Nations Secretary-General Ban Ki-Moon had served as Co-Chairpersons of the Paris Conference, which he described as a "success," with participants pledging nearly 20 billion euros in new assistance. The conference reaffirmed international community support for Afghanistan, while emphasizing primary Afghan responsibility for reconstruction efforts. The French representative also touted his government's sponsorship of a UN Security Council Resolution on control of precursor chemicals adopted on June 11. He expressed appreciation for U.S. support, with the UK, Russia, Belgium, and Croatia also serving as co-sponsors.

¶11. (C) Administrator Stauffer described EU efforts to enhance border controls and build Afghan capacity to control precursor chemicals, including assignment of an expert on precursor chemicals to Kabul. As a result of stricter measures, prices for acetic anhydride rose from 50 dollars

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per liter to 200 dollars per liter. Implementation of Project Prism has also helped. While EU Member States are not major producers of this substance, they are involved in its trade. Similarly, Mission ARD praised drug enforcement successes in Afghanistan, including the execution of numerous arrest warrants issued by the Afghan Central Narcotics Tribunal against drug traffickers and the seizure of 240 metric tons of hashish. The UNODC representative estimated that farmers had cultivated 70,000 hectares of cannabis, which have served as funding sources for the Taliban and insurgency in Afghanistan.

CENTRAL ASIA REGIONAL INFORMATION COORDINATION CENTER

¶12. (C) DAS McCampbell commended results of the six-month pilot project involving the Central Asia Regional Information Coordination Center (CARICC). Kazakhstan became the first Central Asian nation to ratify the CARICC Memorandum of Understanding (MOU), with most other countries in the region following suit. She encouraged EU colleagues to press the main remaining hold out, Russia, to sign the agreement and to provide financial support. A Commission official said the Commission followed CARICC developments closely and provided funding under the Stability Instrument. Germany, Italy, Poland, and Bulgaria also remain involved in support efforts. Under a UNODC project, Germany has provided communications equipment and training to help replicate European Police

Office (EUROPOL) capacity in Central Asia. They understand that 15 to 20 percent of Afghan produced heroin passes through Central Asia, while the remainder goes through Iran and Pakistan. EUROPOL official Gundlach added that his organization has provided analytical training in addition to that provided by the International Criminal Police Organization (INTERPOL). EUROPOL recently hosted a visit by CARICC's Director at EUROPOL headquarters in The Hague.

EU-ASSISTED STUDY ON COCA LEAF

¶13. (C) Meeting participants then addressed issues related to counter-drug cooperation in Latin America. DAS McCampbell cited earlier discussions with EU officials, including those with INL Counselor (Ref B), regarding the Commission's efforts to assist the Government of Bolivia (GOB) in conducting a study of traditional uses of coca leaf and in promoting economic rural development. (ONDCP Director also raised this issue during his visit earlier this year, per Ref A.) McCampbell urged Commission officials to remain vigilant to ensure that the study not deviate from the original focus on traditional uses and requested an update on implementation. Desk Officer Murray indicated that the GOB had suffered from institutional instability involving frequent changes in officials responsible for both projects. To date, therefore, the Bolivian Government had not done much in implementing either project. The Commission, for example, had not yet received a GOB request for the first tranche of three million euros in funding. While acknowledging that the U.S. had encouraged the EU to fund the coca study in the first place and had received assurances from the EU regarding the scope of the study, McCampbell noted that GOB officials had frequently contradicted such assurances in public. She asked that EU officials "set the record straight" whenever GOB officials attempt to broaden these initiatives improperly. Murray admitted that Bolivian officials like to provide their own spin on the purposes of these projects, but indicated that Commission officials would not always respond to such statements. She noted that Commission colleagues had certainly let Bolivian officials know privately that their assertions were incorrect. Recent remarks by a senior Bolivian official at the CND session had met with "deafening silence" from other participants. DAS McCampbell responded that such silence could be interpreted either as consent or disagreement. Murray, reiterating that virtually no progress had occurred in implementation, promised to seek additional updates from the Commission Delegation in La Paz. (COMMENT: U.S. Mission would also appreciate periodic updates from U.S. Embassy La Paz on any significant developments. END COMMENT.)

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OTHER ALTERNATIVE DEVELOPMENT PROJECTS

¶14. (C) Desk Officer Murray provided information on Commission support of other EU projects in the Andean region. About 70 percent of the 73 million euros allocated for peace and stability objectives in Colombia through 2013 supports alternative development projects. The Commission also funds cross-cutting priorities in Peru. DAS McCampbell noted that the U.S. Agency for International Development (USAID) implements many of the U.S. alternative development projects in Latin America. She personally visited alternative development projects in the Bolivian jungle during the six visits she has made to that country during her INL tenure. Unfortunately, many farmers continue to grow coca in addition to their licit crops. A three-pronged approach is needed involving alternative development, interdiction, and eradication.

COCAINE TRAFFICKING THROUGH VENEZUELA

¶15. (C) DAS McCampbell also reported on the continuing challenge of cocaine transiting Venezuela en route to Europe. According to the most recent statistics, cocaine consumption in Spain has reached three percent -- even higher than current rate of 2.8 percent in the United States. Frustrations with lack of cooperation from the Chavez administration in Venezuela have reached such levels that the INL Bureau has decided to move funding from its Narcotics Affairs Section in Caracas to demand reduction projects in a neighboring Latin American country. She also called upon the Venezuelan Government to sever all financial and logistical ties to the Revolutionary Armed Forces of Colombia (FARC). The Spanish Representative highlighted Venezuela's role as a transit country, rather than a producer nation, with cocaine originating in Colombia, Peru, and Bolivia. He remarked that the U.S. cocaine consumption rate cited in the most recent World Drug Report matched that of Spain. McCampbell indicated that her earlier remarks were not intended as criticism of Spain, but merely to emphasize the continuing serious problem of cocaine moving from Colombia through Venezuela to Africa and Spain. Later, EUROPOL official Gundlach sought clarification on the amount of cocaine flowing to Europe through Venezuela. ONDCP Officer Baum noted that up to half of the estimated 250 metric tons of cocaine coming to Europe passed through Venezuela, with the remainder arriving via other transit routes. In summary, Dr. Krek emphasized the important role of Venezuela as a transit country for cocaine coming to Europe and that both the U.S. and the EU needed to remain vigilant in addressing this situation

¶16. (C) A Commission representative concurred with the difficulty in working with Venezuela to fight drug trafficking. He explained that the Commission had tried to develop intelligence networks to compensate for gaps in capabilities to detect drug-smuggling aircraft. He acknowledged the seriousness of the problem, but cautioned against focusing on a single country. Mission ARD reported that Venezuelan cooperation with DEA had become virtually non-existent, especially since Venezuelan police did not want to be seen by their political superiors as cooperating closely with U.S. counterparts. The GOV has even threatened to close the DEA office in Caracas. Portuguese Head of Division Monteiro said his government had just signed a cooperation protocol with Venezuela to work with the judicial police, given mutual interests and the presence of a large Portuguese community in Venezuela. (N.B.: Monteiro later suggested privately to INL Counselor that the USG seek direct, bilateral Portuguese help interceding with Venezuelan authorities, rather than through EU fora such as the Troika meeting. U.S. Embassy Lisbon may wish to follow up on this idea in consultation with the INL Bureau. END NOTE.)

COCAINE SIGNATURE PROGRAM

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¶17. (C) Mission ARD also briefed on the DEA cocaine signature program, noting that DEA had also developed similar signature programs for identifying the source regions for heroin and methamphetamines. The DEA Special Testing Laboratory in Washington tests samples from drug seizures to identify chemical solvents and other impurities that result from the processing of the drugs. Such results can be traced to specific regions of the globe. The Laboratory currently relies on 95 percent of its samples from seizures in the U.S. but would welcome receiving samples of seizures by other countries for testing. The only prerequisite would be the signing of a simple protocol by interested governments. The EUROPOL Representative remarked that the EU had started work on establishing a similar program for identifying source countries for amphetamines. Ultimately, the EU would like to

expand such efforts towards amphetamine-like substances, heroin, and cocaine. A Commission representative said the EU also planned to set up a laboratory to analyze samples from ten countries. Head of Unit Edwards added that the EU has formally committed to developing a plan by the end of the year to set up an EU structure to profile drugs. He cautioned, however, that such forensic profiling must result in catching criminals. Otherwise, the program could become an "expensive hobby." He confirmed EU interest in learning more about U.S. experiences.

TRAFFICKING THROUGH WEST AFRICA

118. (C) Head of Division Monteiro briefed on the recently-started EU Security Sector Reform (SSR) Mission in Guinea-Bissau that ultimately plans to involve 15 expert advisors to conduct institution-building with the Police, Justice, and Defense sectors in this important drug-transit country in West Africa. He confirmed that some advisors had deployed earlier in June as part of a one-year project (presumably subject to extensions) as part of a transnational crime initiative to address cocaine trafficking through West Africa, including Guinea Bissau. Monteiro noted that key factors influencing ultimate success include the country's capacity to absorb outside assistance and its willingness to cooperate. Providing political support to the justice and security sectors will be important. A Commission representative noted that Stability Instrument funding will be used to support this mission under the European Security and Defense Policy (ESDP). He also provided information on a project supported by Stability Instrument funding to help the UNODC enhance the capacity of the judicial police. DAS McCampbell expressed appreciation for the invitation from the EU for other nations, including the U.S., to participate in the SSR Mission. Mission INL Counselor noted that the INL Bureau had identified a suitable Portuguese-speaking candidate to serve as a prosecutorial advisor. The U.S. continued to work with EU colleagues on modalities to permit such participation. Baum indicated that ONDCP Director John Walters planned to participate in a conference in September at a venue in Europe to focus greater international attention on drug flows through Africa.

CURRENCY TRACKING INITIATIVE

119. (C) ONDCP Officer Baum briefed on several new technologies the United States has deployed to combat the smuggling of bulk currency. With an estimated 30 billion dollars leaving the U.S. each year as drug proceeds, seizing more of this cash has become a high priority for U.S. agencies. Such seizures not only take away something of value from the drug traffickers, but they also provide important investigatory leads related to operations by drug trafficking organizations and opportunities for controlled deliveries. The USG has begun to deploy new or recently improved technologies to detect and identify smuggling conveyances and currency. Ongoing projects include use of automated license plate readers and cameras to record license plate numbers of vehicles crossing the U.S.-Mexico border or transiting key corridors, use of high-speed currency counters, and use of x-ray machines with algorithms to detect patterns in currency. Baum, on behalf of ONDCP, invited EU

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counterparts to send a delegation of experts to the United States to see how U.S. agencies use such technologies and to exchange views on ways to address trafficking in bulk currency. Assuming such a meeting would be mutually beneficial, Baum continued, U.S. officials would consider a subsequent visit to Europe for additional discussions. Afterwards, EU officials expressed interested in this offer from ONDCP and requested a formal letter of invitation.

(N.B., ONDCP will send such a letter shortly to EU officials. END NOTE.)

NEXT MEETING

¶20. (U) The French Representative briefly mentioned priorities for the French Presidency of the Council and proposed November 14, 2008, as a possible date for the next U.S.-EU Troika Meeting on Drug Issues in Brussels.

COMMENT

¶21. (C) This semi-annual Troika meeting with the EU produced wide-ranging and productive discussions on drug trafficking trends and issues. Discussions produced meaningful exchanges of views rather than mere recitals of each side's talking points. Overall, the views expressed by participants demonstrated a broad consensus on most drug trends and issues. Even the near-perennial issue of "harm reduction" did not arise at this Troika meeting. The main differences emerged in how best to address counter-drug challenges in Venezuela and Bolivia, with most on the EU side shying away from the strong public stances advocated and practiced by U.S. authorities. END COMMENT.

¶22. (U) INL DAS McCampbell cleared on this telegram.

SILVERBERG

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